SBIR Newsletter February 2002

We are back online with some new changes. Our main story will now feature an interview with a state or national specialist. The competition tips section will contain advice from a Montana SBIR winner.

We also have added a feedback section, where you the subscriber can make comments and/or give us ideas for future articles.

If you have questions or comments, please contact, <u>Linda Brander</u>, SBIR Outreach Coordinator or call (406) 841-2749.

1.0 It Seemed like a Good Idea at the Time - an interview with Dr. Jenny Servo

So you have an idea, one you think will be a great money-maker. The SBIR Phase 0 and I programs can help you test just how viable your idea is, but where do you start?

Talk to strangers. Most people come up with ideas because they need to solve a problem. When the idea works, they become enamored with it—as do all their friends and relatives who want to be supportive, no matter what. The warm and fuzzy feelings are nice, but you need feedback from people who aren't invested in you or your idea.

In fact, making assumptions rather than getting independent verification is one of the biggest mistakes people make when going from concept to commercialization, according to Jenny Servo, Ph.D., president of Dawnbreaker, Inc., Rochester, NY. “They don't do it early enough or often enough."

"To test the viability of an idea, you need to talk to potential customers who are MAD," says Servo. By "MAD" she means those with the money, access and desire for your solution. How you do that can range from picking up the phone and calling customers to conducting a focus group or doing a web-site survey. Just be sure you talk to those who have the decision making and purchasing power to select your proposed solution. Find out what other solutions are available, what flaws those solutions have, and how your solution stacks up against them—that's the "desire." "Access" relates to distribution; do your potential customers purchase similar technology, products or services through the channels you've considered? And finally, what are they willing to pay to purchase what you are offering?

Getting this feedback can start before or during Phase 0, when it will help you develop sound hypotheses that you will then test during Phase I. Keeping the feedback going during Phase I will keep the development of your technology, product or service on track.

Challenge your assumptions. In addition to talking to potential customers, tap into outside resources. Community organizations such as area economic development offices, the state SBIR program and private companies like Dawnbreaker all offer services to help you look at your ideas objectively and plan your next step.

Do a personal assessment. While you are testing your idea, also stop to consider what you are willing, and able, to do with it. Are you an "ideator," someone who can generate lots of ideas, but has little interest in rolling them out? Maybe you consider yourself an inventor—you want to put the idea into practice, but you aren't interested in building a business around it. Or perhaps you are an entrepreneur, eager to create and run a profitable business. Whatever your natural talents, being clear about your own preferences will help you clarify your business objectives.

2.0 Competition Tips--Feedback Keeps New Ideas Growing at Bitterroot Restoration

With two approved SBIR Phase I grants, it's clear that Bitterroot Restoration Inc. (BRI) of Corvallis knows how to go forward with a good idea. The company received its first SBIR Phase I award last summer to test its "Booth Tube," a plantable seedling container designed to reduce costs and improve the success rate of large-scale revegetation projects. Notification of the second award-for development of a new type of soil mix for seedlings-came in late February.

Tim Meikle, director of R&D, BRI, offers a few tips for those interested in pursuing SBIR grants:

Take advantage of resources. Facing a market perception that existing seedling containers were too expensive to use on large arid sites, BRI started thinking about an alternative. That led Meikle to Terry Booth at Ag Research Services (ARS), Cheyenne, WY. BRI then asked TechLink of Bozeman to negotiate a Cooperative Research and Development Agreement between BRI and ARS, allowing BRI to develop Booth's idea for an alternative container. During development of its second grant application, BRI worked with a state SBIR counselor to ensure that its proposal was as strong as possible.

Get customer feedback. Before writing its Phase I proposal, BRI called its customers to ask if they were interested in a cost-effective container, and if so, what were they willing to pay for it. As part of its Phase I testing, BRI will set up study plots at nine customer sites, giving customers the chance to see the value of the Booth Tube for themselves and ensuring of BRI ongoing feedback.

Be adaptable. BRI's good idea became an even better potential product when tests during Phase I revealed that a square container design had advantages over the original round cylinder design.

Think ahead. BRI's goal is to produce the Booth Tube as a way of substantially expanding its market. On the other hand, it plans on developing and then licensing production of the soil mixture product. Clarifying long-term objectives up-front simplifies development strategy.

Think teamwork. "In developing winning SBIR proposals, you have to think of yourself as part of a team," Meikle says. "You can have a proposal reviewer, the state resources

for Phases 0 and I, TechLink, your creative partners, your clients-it's a large team working together. I think there's a lot of strength in this approach."

3.0 Montana Award Winners

The February winners for the Montana Department of Commerce Phase 0 Program were:

MedIntel, Helena: The topic of their Phase 0 proposal was Computational chemistry Development of Radiopharmaceuticals. They will be submitting it the National Institute of Health.

Headwaters Composite, Three Forks: The topic of their Phase 0 proposal was Pervious Pavement Derived From Recycled Materials. They will be submitting a Phase I to the Environmental Protection Agency (EPA).

CONGRATULATIONS TO MEDINTEL, INC & HEADWATERS COMPOSITES INC!

To learn more about the Department of Commerce, Phase 0 Program go to: http://sbir.state.mt.us/BRD_SBIR_Phase0.html

2001 MONTANA SBIR Phase I and Phase II Winners

Congratulations to the Montana companies who won national awards. In 2001, Montana companies won 35 awards totaling more than \$11 million dollars compared to the year 2000 when companies won 24 awards and \$5 million dollars. The Montana SBIR Program was partially responsible for helping companies improve their competitive advantage at the federal level. To see the winners go to: http://sbir.state.mt.us/Includes/2001awards.PDF.

WE DO OUR BEST TO IDENTIFY EVERY AWARD WINNER, BUT WE MAY HAVE ACCIDENTALLY MISSED YOUR COMPANY. IF WE HAVE, PLEASE NOTIFY <u>LINDA BRANDER</u> (406) 841-2749.

4.0 Solicitations

Open Solicitations			
Program	Release Dates	Accepts Proposals	Closing Dates
DOT SBIR	15 Feb 2002	15 Feb 2002	1 May 2002
EPA SBIR	31 Jan 2002	31 Jan 2002	21 Mar 2002
Mobile Source Emmisions	Revised	Revised	
EPA SBIR	31 Jan 2002	31 Jan 2002	21 Mar 2002
Stormwater & CSOs	Revised	Revised	
<u>DoD SBIR</u> - 2002	2 Jan 2002	1 Mar 2002	17 Apr 2002
			1 Apr 2002
HHS/NIH SBIR/STTR (Grants)	15 Jan 2002	15 Jan 2002	1 Aug 2002
			1 Dec 2002
HHS/CDC SBIR (Grants)	15 Jan 2002	15 Jan 2002	1 Dec 2002
			1 Apr 2002
HHS/FDA SBIR (Grants)	15 Jan 2002	15 Jan 2002	1 Aug 2002
			1 Dec 2002

For a complete overview of all solicitations go to: http://www.zyn.com/sbir/scomp.htm

5.0 Conferences & Workshops

SBIR Wood Products Conference, Hamilton, March 7th & 8th. Cost \$35. For more information go to: http://sbir.state.mt.us/Includes/SBIRWkshpbrchr.pdf

SBIR General Conference (half-day), Havre, Montana, March 21st. No charge. For more information go to: http://sbir.state.mt.us/Includes/SBIRWorkshop.pdf

SBIR National Conference, Anaheim California March 11th to 14th, Anaheim, California. Cost \$375. For more information go to: http://www.sbirworld.com/anaheim/index.asp

Wyoming SBIR State Conference, May 29th & 30th, Thermopolis, Wyoming, Cost \$75 before May 15, \$100 after. For more information go to: http://www.uwyo.edu/sbir/frm_confinfo.html

6.0 Resources

Publications

Dr. Jenny Servo, featured in the March cover story has written a useful book called, Business Planning for Scientists and Engineers. Some of the topics covered in this book include: plans & planning, building a commercialization team, developing a commercialization strategy, and financing the growth of an advanced technology firm. The cost of this book is \$34.95. To order, contact the Dawn Breaker at (585) 594-0025 or mboard@dawnbreaker.com

The Office of Energy Efficiency & Renewable Energy has a publication called, From Invention to Innovation. It is a useful resource that describes the innovation and commercialization process, assessing your current status, and determining your business objective. It is a free publication that can be obtained by contacting:

OIT Clearinghouse

Phone: 1-800-862-2086, Monday -Friday 9 a.m. - 8 p.m. EST, 6 a.m. - 5 p.m. PST

Fax: (360) 586-8303

e-mail: clearinghouse@ee.doe.gov

The United States Department of Agriculture has a useful planning guide called, A Planning Guide for Small & Medium Size Wood Products Companies: The Keys to Success. Although the advice is geared to companies within the wood products industry, the ideas contained in the free publication are useful to any individual or company that wants to explore and develop a new business idea. Some of the topics covered in include: initiating & agreeing on the strategic planning process, clarifying values, conducting a

stakeholder's analysis, developing a mission statement, assessing internal & external environments, and implementing an action plan. To obtain a copy of this publication, contact: Jim Bowyer, University of Minnesota, (612) 624-4292 or jbowyer@cnr.umn.edu

Consulting Firms that Have Worked With Companies on SBIR Projects

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Dawnbreaker has been awarded a second contract from the National Science Foundation (NSF) to conduct the Phase I Commercialization Planning Program (CP2). Over 70 companies are participating in the CP2 that is aimed at assisting eligible Phase I awardees to increase their attention to commercialization during the course of their current Phase I award. Increased business acumen resulting from the program will be evident in Commercialization Plans prepared by the companies to submit with their Phase II NSF proposals.

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Mohawk Research Corporation offers research, consulting, and specialized educational programs to promote the commercialization of innovative technologies. Through an ongoing cycle of research, evaluation, and teaching, Mohawk provides up-to-date guidance on all aspects of the commercialization process.

7.0 Subscriber's Comments

What types of feature stories would you like to see in future issues?

Other comments...

Please send ideas and comments to lbrander@state.mt.us